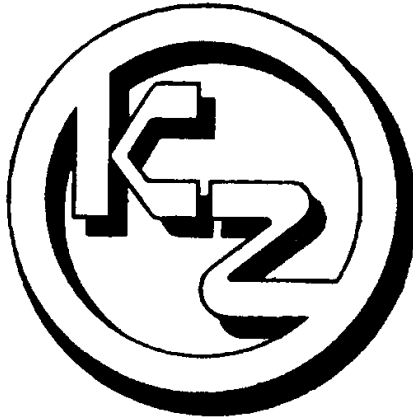


34th
Annual Report
2019-2020



K. Z. LEASING & FINANCE LTD.

1st Floor, Deshna Chamber, Ashram Road, Usmanpura,

Ahmedabad – 380014.

Important Communication to Shareholders
“Green Initiative in the Corporate Governance”

Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued a circular No.17/2011 on April 21, 2011 stating that the service of document to shareholders by a Company can be made through electronic mode.

Keeping in view the underlying theme and to support this green initiative of Government in the right spirit, members who holds shares in electronic mode and who have not registered their email addresses, so far, are requested to register their email address and changes therein from time to time, with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the below mentioned prescribed form, giving their consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement or any other communication in electronic mode, and register the said form with Link Intime India Private Limited.

Please note that you will be entitled to be furnished, free of cost, with a physical copy of the notice, balance sheet and all other documents required by law to be attached thereto including the profit & loss account and auditors’ report etc., upon receipt of a requisition from you, any time, as a member of the Company.

We are sure you would appreciate the “Green Initiative” taken by MCA and your Company’s desire to participate in such initiatives.

Email Address Registration Form

(For members who holds shares in Physical Forms)

K Z LEASING AND FINANCE LIMITED

Registered Office: 1st Floor, Deshana Chamber, B/h. Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014

Ledger Folio No. _____ No. of Share(s) held: _____

NAME OF THE SHAREHOLDER / JOINT HOLDER: _____

Email Address: i) _____ ii) _____

Contact No. (R) _____ (M) _____

I hereby give my / our consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement and all other documents required by law to be attached thereto or any other communication in electronic mode at my/our above mentioned email ID.

Signed this _____ day of _____, 2020.

Note :

- 1) Members are requested to send their duly completed form as above to the Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd., 5th Floor, 506 To 508, Amarnath Business Centre 1, Beside Gala Business Centre, Near St Xaviers College Corner, Off C.G. Road, Navrangpura, Ahmedabad – 380009; Tele: 07926465179
- 2) Members are also requested to inform about any change in their email ID immediately to RTA.

Founder: Late Keshavlal Zaverchand Patel

Board of Directors

Shri Pravinkumar Keshavlal Patel	Chairman & Managing director
Shri Ankit Pravinkumar Patel	Director & CFO
Smt. Chaitali Bharatbhai Patel	Woman Director
Shri Dashrathbhai Devidas Patel	Independent Director
Shri Babulal Maganlal Patel	Independent Director
Shri Kantibhai Sendharam Patel	Independent Director

Audit Committee

Shri Babulal Maganlal Patel, Chairman
Shri Pravinbhai Keshavlal Patel, Member
Shri Kantibhai Sendharam Patel, Member

Shareholders / Investor's Grievance Committee

Shri Babulal Maganlal Patel, Chairman
Shri Kantilal Sendharam Patel, Member
Shri Pravinbhai Keshavlal Patel, Member
Smt. Chaitali B Patel, Member

Corporate Social Responsibility Committee

Shri Dashrathbhai Devidas Patel, Chairman
Shri Babulal Maganlal Patel, Member
Shri Pravinkumar Keshavlal Patel, Member

Nomination & Remuneration Committee

Shri Kantibhai Sendharam Patel, Chairman
Shri Dashrathbhai Devidas Patel, Member
Shri Babulal Maganlal Patel, Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Hinal Anish Jain (Resigned w.e.f 22nd November, 2019)
Ms. Shreya Dharmendra Shah (Appointed w.e.f 25th February, 2020)

Registered Office

1st Floor, Deshana Chamber,
B/h Kadwa Pattidar Wadi,
Ashram Road,
Ahmedabad-380014

CIN: L65910GJ1986PLC008864

Tel.: 079-27542298

Fax: 079-27543200

Email Id: info@kzgroup.in;
kzleasing@yahoo.com

Website : www.kzgroup.in

Statutory Auditor

Ranjit Galledar & Co.

Internal Auditor

M A A K & Associates

Secretarial Auditor

M/s G R Shah & Associates

Bankers

- The Navnirman Co-Op. Bank Ltd.
- UCO Bank
- Shree Kadi Nagrik Sahakari Bank Ltd.

Registrars and Transfer Agents

Link Intime India Private Limited.

(Formerly, Intime Spectrum Registry limited)

C - 101, 247 Park,

L. B. S. Marg, Vikrohli (West)

Mumbai – 400083.

Phone: 022-49186000

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Notice to the Shareholders

NOTICE is hereby given that the **34th** Annual General Meeting of the Members of K Z Leasing And Finance Limited will be held on Wednesday 30th September, 2020 at 11.30 a.m. through Video Conferencing (“VC”) or other audio visual means (“OAVM”), to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended on March 31, 2020, the Balance Sheet as at that date and Cash flow together with the Auditor and Directors' Report thereon.**
- 2. To appoint a director in place of Mrs. Chaitali Patel (holding DIN 06957559), Director who retires by rotation and being eligible, offers herself for reappointment.**

SPECIAL BUSINESS

- 3. To consider Reappointment of Mr. Pravinkumar Patel (holding DIN: 00841628) as the Managing Director of the Company for the term of three years and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, and subject to the approval of the members and such other statutory approvals as may be required, Mr. Pravinkumar K. Patel (holding DIN: 00841628) be and is hereby re-appointed as the Managing Director of the Company for a further period of 3 years with effect from 14.08.2020 on the same terms and conditions of remuneration as were paid to him earlier.”

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

**ON BEHALF OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

Date: 14/08/2020

**Pravinkumar K. Patel
(Chairman & Managing Director)
(DIN: 00841628)**

NOTES:

- In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5 May, 2020 read with circulars dated 8th April, 2020 and 13 April, 2020 (“MCA Circulars” and Securities and Exchange Board of India vide its circular dated 12 May, 2020 (“SEBI Circular”), permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company will be held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue for the 34th Annual General Meeting of the Company shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith.
- A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting (“Meeting”) is annexed hereto.
- Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
- Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
- In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM inter-alia, indicating the process and manner of voting through electronic means along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website

6. The relevant details as stipulated under SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of Directors seeking re-appointment as directors - Item Nos. 2 above is also annexed hereto.
7. The relevant details as stipulated under SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of reappointment of Managing Director - Item Nos. 3 above is also annexed hereto
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days, except Sundays, between 11 a.m. and 1 p.m. up to the date of meeting.
9. The Register of Members and the Share Transfer Books of the Company will remain closed for a period of Ten (10) days from Monday, 21st day of September, 2020 to Wednesday 30th day of September, 2020 (both days inclusive).
10. Members are requested to contact Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikroholi (W), Mumbai-400083 Phone No. 022-49186000, for recording any change of address, bank mandate, ECS or nominations, and for redressal of complaints contact the Compliance Officer at the Registered Office of the Company.
11. The equity shares of the Company are available for dematerialization, as the Company has entered into an agreement with National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL). Those shareholders who wish to hold the company's share in electronic form may approach their depository participants.
12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents "Link Intime India Private Ltd", for assistance in this regard.
13. Section 72 of the Companies Act, 2013, extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders holding share certificates in physical form and willing to avail this facility may make nomination in Form SH 13, which may be sent on request. However, in case of demat holdings, the shareholders should approach to their respective depository participants for making nominations.
14. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
15. Members, who have multiple accounts in identical names or joint names in same order are requested to intimate M/s. Link Intime (India) Pvt. Ltd., the Ledger Folios of such accounts to enable the Company to consolidate all such share holdings into one account.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

Process and manner for attending the Annual General Meeting through InstaMeet:

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN)

(Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the Email ID kzleasing@yahoo.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the company
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

On the Shareholders VC page, click on the link for e-Voting “Cast your vote”

1. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
2. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
3. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
4. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
5. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may contact **Ms Chinar Shah** by sending an email to instameet@linkintime.co.in / chinar.shah@linkintime.co.in or contacting on 079 -26465179/86

Remote e-Voting Instructions for shareholders:

The instructions for shareholders voting electronically are as under:

1. The voting period begins on 27th September, 2020 at 9.00 a.m. and ends on 29th September, 2020 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23th September, 2020, may cast their vote electronically. The shareholders should log on to the e-voting website <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

▶ Click on “**Sign Up**” under “**SHARE HOLDER**” tab and register with your following details: -

A. User ID: Enter your User ID

- Shareholders/members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN)

(Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/members holding shares in **CDSL demat account shall provide either ‘C’ or ‘D’, above**
- Shareholders/members holding shares in **NSDL demat account shall provide ‘D’, above**
- Shareholders/members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click “confirm” (Your password is now generated).

NOTE: If Shareholders/members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.

3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

4. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.

5. E-voting page will appear.

6. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).

7. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.

8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

If you have forgotten the password:

- Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab and further Click ‘**forgot password?**’
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on ‘**Submit**’.

• In case shareholders/members is having valid email address, Password will be sent to his / her registered e-mail address.

• Shareholders/members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

- The password should contain minimum 8 characters, at least one special character(@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice. During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Shareholders/members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/members have any queries regarding e-voting, they may refer the **Frequently Asked Questions (‘FAQs’)** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

- M/s G R Shah & Associates, Practicing Company Secretary (C.O.P – 14446) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner
- The scrutinizer will prepare a consolidated scrutinizer’s report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The Results declared along with the report of the Scrutinizer shall be placed on the website <https://instavote.linkintime.co.in>, immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Explanatory Statements pursuant to section 102[1] of the Companies Act, 2013.

Item No. 3

Reappointment of Pravinkumar K. Patel (DIN: 00841628) as the Managing Director of the Company

The Board vide its Resolution dated 14th August, 2020 had approved, subject to the approval of shareholders, the re-appointment of Mr. Pravinkumar Patel (DIN: 00841628) as the Managing Director of the Company for a period of three years with effect from 14th August, 2020 on same terms and conditions of remuneration as were paid to him earlier. The details of the same are as under:

Salary – Monthly remuneration not exceeding Rs 6,00,000/- subject to availability of sufficient profits during the financial year as calculated under Section 198 of The Companies Act, 2013. The Managing Director shall also be liable for availing of yearly increment as may be decided by the policy of the Company subject to the limits specified in Schedule V of the Companies Act, 2013.

Perquisites and Benefits- Perquisites as mentioned hereunder may be allowed in addition to salary

- Medical Reimbursement: Expenses incurred for self and family subject to ceiling of one month’s salary in a year or three month’s salary over a period of three years.
- Leave Travel Concession: For self and family, once in a year in accordance with the rules of Company.
- Encashment of leave at the end of tenure will not be included in the computation of the ceiling of the perquisites.
- Bonus to be paid as per policy of the Company or as per Bonus Act.
- Provision of car including driver for use on Company’s business and telephone as well as mobile at residence will not be considered as perquisites. Personal long distance call and use of the car for the private purpose shall be billed by the Company to the individual appointee concerned.

Where in any financial year during the currency of tenure of the Managing Director, the Company had no profits or inadequate profits, the Company would pay Mr. Pravinkumar Patel (DIN: 00841628), remuneration, and perquisites as per the limits stated under Schedule V of the Companies Act, 2013, and as would be decided by the Remuneration Committee.

The Managing Director shall not be entitled to receive any fees for attending the Meetings of the Board of Directors of the Company or Committees thereof. The aforesaid appointment would be terminable from either side by giving 3 months notice in writing.

Brief Profile of the Managing Director:

Name	Pravinkumar Keshavlal Patel
Qualification	Electrical Engineer
Experience	Over 35 years of wide ranging experience in Finance field
Other Directorship	Visnagar Lease Finance Limited
Chairman / Member of the Committees of the Board of the other companies on which he is a director	None
No. of shares held in the company	15,100 Equity shares of Rs. 10 each
Disclosure of the relationships	Pravinkumar Patel is the promoter of the Company. He is also the Chairman of the Company. He is the father of Ankit P. Patel, Director and CFO of the company, and father in law to Chaitali Patel, director of the Company.

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

BY ORDER OF THE BOARD**Date: 14/08/2020**

Pravinkumar K. Patel
(Chairman & Managing Director)
(DIN: 00841628)

ANNEXURE TO THE NOTICE**Item No. 2 : Details of Directors retiring by rotation**

Name	Mrs . Chaitali Patel
Qualification	Bcom., M.com.
Experience	Over 8 years of wide range experience in Finance Area
Other Directorship	K Z Warehousing Logistics LLP
Chairman / Member of the Committees of the Board of the other companies on which she is a director	None
No. of shares held in the company	9,700 Equity shares of Rs. 10 each
Disclosure of the relationships	Mrs. Chaitali Patel is the wife of Mr. Ankit Patel, Director and CFO of the Company, and daughter in law of Mr. Pravinkumar Patel, Managing Director of the Company

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.****Date: 14/08/2020**

Pravinkumar K. Patel
(Chairman & Managing Director)
(DIN: 00841628)

DIRECTORS' REPORT

To,
The Members,
Your Directors are pleased to present the Company's 34th Annual Report and the audited accounts for the year ended 31st March, 2020.

FINANCIAL RESULTS FOR THE YEAR 2019-2020:

(Amount in Rs.)

PARTICULARS	2019-2020	2018-2019
Income From Operation	61,36,120.00	46,39,647.00
Other Income	50,26,938.00	40,45,519.00
Total Income	1,11,63,058.00	86,85,166.00
Less: Operational Expenses	48,86,939.00	52,15,874.00
Profit before Interest, Depreciation	62,76,118.00	34,69,292.00
Less :Depreciation and Finance Cost	36,16,159.00	30,43,918.00
Profit/ Loss Before Tax	26,59,960.00	4,25,374.00
Less: Tax expenses	2,42,070.00	(1,07,080.00)
Profit/ Loss After Tax	24,17,890.00	5,32,454.00

STATE OF COMPANY'S AFFAIRS:

During the year under review, the Company has generated total revenue of Rs. 1,11,63,058/- as against Rs 86,85,166/- of the previous financial year. The net profit for the year under review has been increased to Rs. 24,17,890/- as against Rs. 5,32,454/- in the previous financial year. The Directors are continuously looking for the new avenues for future growth of the Company and expect more growth in future period.

A detailed analysis of the financial results is given in the Management Discussion and Analysis Report, which forms part of this report.

IMPACT OF COVID-19

In the last month of Financial year 2019-2020, the COVID-19 pandemic developed rapidly into a global crises, forcing governments to enforce lockdowns and restrictions across the globe. In the midst of such pandemic Company's focus immediately shifted to ensuring health and well being of all employees and on minimizing disruption of services for all the customers. The Company's profitability and assets are affected due to this pandemic, but Company is taking all measures to cope up with that.

DIVIDEND & APPROPRIATIONS:

In order to conserve the resources, in the year 2019-20, the Directors do not recommend any dividend for the year under review.

RESERVES:

The Company has transferred 20% of its current year profit to Statutory Reserve under the provisions of Section 134(3) (j) of the Companies Act, 2013 and relevant rules made there under.

BOARD OF DIRECTORS:

1. Mrs. Chaitali Patel (DIN: 06957559), Director of the Company retires by rotation and, being eligible, offers herself for re-appointment.
2. The Independent Directors have submitted their declarations of independence, as required pursuant to the provisions of section 149(7) of the Act, stating that they meet the criteria of independence.
3. Reappointment of Mr Pravinkumar Keshavlal Patel (DIN : 00841628) as the managing director of the Company.
4. **Changes In Board During The Year:**
There was no change in the composition of Board of Directors during the year under consideration.

COMPANY SECRETARY & COMPLIANCE OFFICER

During the year under review Mrs Hinal Anish Shah, Company Secretary of the Company resigned from her position on 22nd November, 2019. Hence to fulfill the vacancy Ms Shreya Shah having (Mem No: 59076) was appointed as Company Secretary and Compliance Officer of the Company w.e.f 25th February, 2020.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

Since the Company does not have any Subsidiary / Joint Ventures / Associate Concerns, No financial position of such concern(s) are required to be included in the financial statement.

PUBLIC DEPOSIT:

During the year under review your Company has not accepted deposit from public as envisaged by Chapter V of the Companies Act, 2013 and as per rules and regulations framed by Reserve Bank of India for Non-Banking Finance Companies.

CHANGE IN THE NATURE OF BUSINESS:

There is no Change in the nature of the business of the Company done during the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO:

As required by the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 the relevant data pertaining to conservation of energy, technology absorption are not applicable and hence, not given. The Company has no Foreign Exchange earnings and outgo during the year under review.

PARTICULARS OF EMPLOYEES:

There are no employees drawing the remuneration in excess of limits prescribed under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The outbreak of Coronavirus(COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID-19 is significantly impacting business operation of the companies, by way of interruption in unavailability of personnel, closure / lockdown etc. On March 24, 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till May 3, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

CHANGES IN SHARES CAPITAL:

The Company has not made any changes in the share capital of the company during the year under review.

INSURANCE:

All the assets of the company are adequately insured and the Company has developed proper system for taking insurance on all its assets in order to mitigate the risk.

DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013.

AUDITORS:**I. STATUTORY AUDITORS:**

M/s. Ranjit Galledar & Co. (FRN: 108640W), Chartered Accountants, Surat was appointed as Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on 11th September, 2018. He has confirmed that he is not disqualified from continuing as Auditors of the Company.

II. AUDITORS' REPORT:

The Auditors' Report does not contain any qualification, reservation or adverse remark(s) and hence no comments required. The notes of accounts referred to in the auditors' report are self-explanatory and therefore do not require any further comments.

III. INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are also generally placed before the Board

IV. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of section 204 of the Act and The Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014, the Board has appointed G R Shah & Associates, Practicing Company Secretary to conduct Secretarial Audit for the financial year ended on 31st March, 2020. Secretarial Audit Report is attached to this report as **Form MR-3**.

The Board has duly reviewed the Secretarial Auditor's Report and the observations and comments, appearing in the report are self-explanatory.

V. DETAILS OF FRAUD REPORTING BY AUDITOR:

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The CSR Committee comprises three Directors. The CSR Committee has recommended to the Board, a CSR Policy, indicating the activities to be undertaken by the Company, which is approved by the Board and carried to the Annual Report.

The company's net profit, turnover and net worth are outside the criteria of Section 135 of the Companies Act, 2013, therefore, it is not required to spend any amount under CSR Activity.

ENVIRONMENT, HEALTH AND SAFETY:

The Company is a Non-banking finance company hence it is not in such activity which affects the environment adversely, however, it accords the highest priority to Environment, Health and Safety. The management is constantly reviewing the safety standards of the employees and the management believes in the concept of sustainable development.

MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:

i. Vigil Mechanism / Whistle Blower Policy:

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy. The same is also uploaded on the website of the Company i.e. www.kzgroup.in

ii. Business Conduct Policy:

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and in an ethical manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

AUDIT COMMITTEE:

In the financial year 2019-20, The Audit Committee comprised of 3 members namely, Chairman Shri Babulal Maganlal Patel (DIN: 02901047), Shri Kantilal Sendharam Patel (DIN: 08077956), and Shri Pravinbhai Keshavlal Patel (DIN: 00841628). The audit committee duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Meetings of Audit committee was held four times on during the financial year and further details of attendance of directors in the Committee meeting are mentioned in Corporate Governance Report.

The Committee periodically discussed the Financial Reporting process, reviewed the Financial Statements, and discussed the quality of the applied accounting principles and significant judgment that affected the Company's Financial Statements. Before presenting the audited accounts to the members of the Board, the Audit Committee recommended the appointment of the statutory auditors, subject to the Board's approval. The audit Committee reviewed with adequacy of internal control systems with the management, statutory and internal auditors.

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:

In the financial year 2019-20, The Shareholders/Investors Grievance Committee comprised of Mr. Babulal Maganlal Patel (DIN: 02901047), the Chairman of the Committee, Mrs. Chaitali Ankit Patel (DIN: 06957559), Mr. Pravinkumar Patel (DIN: 00841628) and Mr. Kantilal Sendharam Patel (DIN: 08077956)

The primary function of the Shareholders / Investors Grievance Committee ("the Committee") is to consider and resolve the grievances of security holders of the Company. During the year under review, the committee reviewed the complaint status, share transfer details, dematerialization of security and also conducted audit by practicing company secretary.

NOMINATION AND REMUNERATION COMMITTEE:

In the financial year 2019-20, The Nomination and Remuneration Committee comprised of Mr. Kantilal Sendharam Patel (DIN: 08077956), the Chairman of the Committee, Mr. Dashrathbhai Devidas Patel (DIN: 08516041) and Mr. Babulal Maganlal Patel (DIN : 02901047)

The primary function of Committee is to recommend Board appointment and removal, carry out evaluation of directors performance and to ensure that level and composition of remuneration is sufficient and reasonable, the committee reviewed the performance of directors and also considered appointment of directors and Key Managerial Personnel.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The company has not declared dividend in any of the previous seven years and hence there is no fund lying as unclaimed/unpaid dividend and hence it is not required to transfer to IEPF Account.

ACCOUNTING STANDARDS AND FINANCIAL REPORTING:

The Company incorporates the accounting standards as and when issued by the Institute of chartered Accountants of India. The Company Complied with the Stock Exchange and legal requirement concerning the Financial Statements at the time of preparing them for the Annual Report.

CORPORATE GOVERNANCE:

As per the (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified 2nd September, 2015 issued by Securities and Exchange Board of India, vide circular no. SEBI/LAD-NRO/GN/2015-16/013, Corporate Governance is not applicable to the Company as Company has not attained the prescribed limit as mentioned hereunder:

As per the Regulation 15 (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicability of Corporate Governance shall not be mandatory for companies having paid up equity share capital not exceeding rupees ten crores and net worth not exceeding rupees twenty five crores, as on the last day of the previous financial year.

However the Company follows the principles of effective Corporate Governance. The Company has complied with the mandatory provisions of Corporate Governance as prescribed in the provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 executed with the Stock Exchange(s).

A separate section on Corporate Governance is included in the Annual Report and Certificate from Company's Auditors confirming the compliance with the code of Corporate Governance as enumerated in prescribed in the provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is annexed hereto.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under the provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 executed with the Stock Exchange, is presented in a separate section, forming part of the Annual Report.

DEMATERIALIZATION OF EQUITY SHARES:

As per direction of the SEBI, the Company's shares are compulsorily traded in dematerialized form on NSE and BSE. The Company has established connectivity with both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited and the International Securities Identification Number (ISIN) allotted to the Company's shares is INE006C01015. Presently shares are held in electronic and physical mode (82.30% of shares in demat, 17.70% in physical mode).

INTERNAL AUDITOR

The Board of Directors has appointed M/s M A A K & Associates, Chartered Accountants as Internal Auditors of the Company. The Internal Auditor directly reports to the audit committee. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

LISTING:

The equity shares of the company are listed in the Bombay Stock Exchange Limited which has the connectivity in most of the cities across the country.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) as well as the Report on Board of Directors(SS-4) issued by The Institute of Company Secretaries of India, have been duly followed by the Company.

DISCLOSURE ABOUT COST AUDIT

Maintenance of Cost Records and requirement of Cost audit as prescribed under provisions of Section 148(1) of the Act, are not applicable for business activities carried out by the Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors duly met 8 times at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The dates on which meetings were held are 27/05/2019, 22/07/2019, 14/08/2019, 11/09/2019, 13/11/2019, 22/11/2019, 05/02/2020, 25/02/2020. The details regarding the attendance of the directors in the board meetings are mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE AUDIT COMMITTEE:

The Audit Committee duly met 4 times at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The details regarding the meetings of Audit Committee and the attendance of the directors in the same is mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee met 2 times at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The details regarding the meetings of Nomination and Remuneration Committee and the attendance of the directors in the same is mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The CSR Committee met once during the mentioned financial year on 25/02/2020 and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board by way of individual feedback from directors. The Independent Directors carried out annual performance evaluation of the Chairperson. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members.

The evaluation frameworks were the following key areas:

- (a) For Non Executive & Independent Directors:
 - Knowledge
 - Professional conduct
 - Comply Secretarial Standard issued by ICSI
 - Duties, Role and functions
- (b) For Executive Directors:
 - Performance as leader
 - Evaluating Business Opportunity and analysis of Risk Reward Scenarios
 - Key set investment goal
 - Professional conduct and integrity
 - Sharing of information with Board.
 - Adherence to applicable government law

The Directors expressed their satisfaction with the evaluation process.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) of SEBI (Prohibition of Insider Trading) Regulation, 2015 and the applicable Securities Law. The Insider Trading policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of Company as well as consequences of violation. The policy has been formulated to regulate, monitor, and ensure reporting of deals by employees and to maintain highest ethical standards of dealing in Company Securities. The policy is available on our website (www.kzgroup.in).

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal Act, 2013):

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability confirm and state that –

- i. In the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a going concern basis;
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

Since the Company is Non-Banking Financial Company registered with the RBI, the disclosures pertaining to Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are not applicable

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with rules 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of annual return is annexed herewith as **MGT-9** and forming part of the report. The same is displayed on the Company's website www.kzgroup.in.

RISK MANAGEMENT POLICY:

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure I in Form No. AOC-2 and the same forms part of this report. The Board has approved a policy for related party transactions which has been uploaded on the Company's website www.kzgroup.in

ACKNOWLEDGMENT:

Your Directors wish to place on record their sincere appreciation to the financial institutions, Company's bankers and customers, vendors and investors for their continued support during the year.

Your Directors are also pleased to record their appreciation for the dedication and contribution made by employees at all levels who through their competence and hard work have enabled your Company achieve good performance year after year and look forward to their support in future as well.

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

Date : 14/08/2020

**Pravinkumar K Patel
(Chairman and Managing Director)
(DIN: 00841628)**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013
and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: K Z LEASING AND FINANCE LIMITED (the Company) has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or at arm's length during FY 2020. The Company has laid down policies and processes/ procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts/arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts/arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board, if any: Not Applicable
- (f) Amount paid as advances, if any: None

Note: All related party transactions are benchmarked for arm's length, approved by Audit Committee and reviewed by Statutory Auditors. The above disclosures on material transactions are based on threshold of 10 percent of turnover and considering wholly owned subsidiaries are exempt for the purpose of Section 188(1) of the Act.

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

Date: 14/08/2020

**Pravinkumar K Patel
(Chairman and Managing Director)
(DIN: 00841628)**

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L65910GJ1986PLC008864
ii	Registration Date	07/08/1986
iii	Name of the Company	K Z LEASING AND FINANCE LIMITED
iv	Category/Sub-category of the Company	Non-Government Company
v	Address of the Registered office & contact details	1ST FLOOR DESHANA CHAMBER, B/H KADWAPATTIDAR WADI, ASHRAM ROAD AHMEDABAD-380001
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikrohli (W), Mumbai-400083 Phone No. 022-49186000

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	FINANCE AND FINANCIAL SERVICES	64990	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Si.No	Name & Address of the Company	CIN/ GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1					
2		Not applicable			

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	765136	0	765136	25.16	772404	0	772404	25.40	0.24
b) Central Govt. or State Govt.	0	0	0	-	0	0	0	-	-
c) Bodies Corporates	0	0	0	-	0	0	0	-	-
d) Bank/FI	0	0	0	-	0	0	0	-	--
e) Any other	0	0	0	-	0	0	0	-	-
SUB TOTAL:(A) (1)	765136	0	765136	25.16	772404	0	772404	25.40	0.24
(2) Foreign									
a) NRI- Individuals	0	0	0	-	0	0	0	-	-
b) Other Individuals	0	0	0	-	0	0	0	-	-
c) Bodies Corp.	0	0	0	-	0	0	0	-	-
d) Banks/FI	0	0	0	-	0	0	0	-	-
e) Any other...	0	0	0	-	0	0	0	-	-
SUB TOTAL (A) (2)	0	0	0	-	0	0	0	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	765136	0	765136	25.16	772404	0	772404	25.40	0.24
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	-	0	0	0	-	-
b) Banks/FI	0	0	0	-	0	0	0	-	-
c) Central Govt.	0	0	0	-	0	0	0	-	-
d) State Govt.	0	0	0	-	0	0	0	-	-
e) Venture Capital Fund	0	0	0	-	0	0	0	-	-
f) Insurance Companies	0	0	0	-	0	0	0	-	-
g) FIIS	0	0	0	-	0	0	0	-	-
h) Foreign Venture Capital Funds	0	0	0	-	0	0	0	-	-
i) Others (specify)	0	0	0	-	0	0	0	-	-
SUB TOTAL (B)(1):	0	0	0	-	0	0	0	-	-

(2) Non Institutions									
a) Bodies corporate									
i) Indian	133226	6100	139326	4.58	127656	6100	133756	4.40	-0.18
ii) Overseas	0	0	0	-	0	0	0	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	409216	537710	946926	31.14	612409	532110	1144519	37.63	6.49
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	1064552	0	1064552	35.00	861907	0	861907	28.34	-6.66
Hindu Undivided Family	123799	0	123799	4.07	127933	0	127933	4.21	0.14
Clearing Member	821	0	821	0.03	41	0	41	0.001	-0.03
NRI and Foreign Co.	640	0	640	0.02	640	0	640	0.02	-
SUB TOTAL (B)(2):	1732254	543810	2276064	74.84	1730586	538210	2268796	74.60	
Total Public Shareholding (B)= (B)(1)+(B)(2)	1732254	543810	2276064	74.84	1730586	538210	2268796	74.60	-
C. Shares held by Custodian for GDRs & ADRs	0	0	0	-	0	0	0	0	-
Grand Total (A+B+C)	2497390	543810	3041200	100.00	2502990	538210	3041200	100	-

SHARE HOLDING OF

(ii) PROMOTERS

SR No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Menaben Keshavlal Family Trust	1,50,000	4.93	0	1,50,000	4.93	0	-
2	Kailashben Pravinbhai Patel	1,50,000	4.93	0	1,50,000	4.93	0	-
3	Gandalal Ambalal Patel	91,100	3.00	0	91,100	3.00	0	-
4	Keshavlal Zaverchand Patel Family Trust	88,400	2.91	0	88,400	2.91	0	-
5	Hardik Pravinbhai Patel	39,100	1.29	0	39,100	1.29	0	-
6	Pravinbhai Keshavlal Patel	15,100	0.50	0	15,100	0.50	0	-
7	Patel Rameshbhai Narandas	2,500	0.08	0	2,500	0.08	0	-
8	Patel Kena Hardik	1,50,002	4.93	0	1,50,002	4.93	0	-
9	Chaitali Ankitbhai Patel	9,700	0.32	0	9,700	0.32	0	-
10.	Ankit Pravinkumar Patel	69234	2.28	0	76502	2.52	0	0.24
	Total	765136	25.16	0	772404	25.40	0	0.24

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sr. No.	Name	Shareholding		Date	Increase/Decrease In Shareholding	Reason	Cumulative Shareholding During the year (01/04/2018 to 31/03/2020)	
		No.of Shares at the beginning (01/04/2019)	% of shares of the Company				No.of Shares	% Of total Shares OF the Company
1.	Ankit Pravinkumar Patel	69234	2.28	29/05/2019	382	Purchase	69616	2.29
				01/07/2019	500	Purchase	70116	2.30
				19/11/2019	85	Purchase	70201	2.31
				20/11/2019	598	Purchase	70799	2.33
				11/02/2020	1000	Purchase	71799	2.36
				11/02/2020	72	Purchase	71871	2.36
				11/02/2020	300	Purchase	72171	2.37
				11/02/2020	280	Purchase	72451	2.38
				25/02/2020	300	Purchase	72751	2.39
				04/03/2020	835	Purchase	73586	2.42
				06/03/2020	116	Purchase	73702	2.42
				25/03/2020	1300	Purchase	75002	2.47
				26/03/2020	500	Purchase	75502	2.49
				27/03/2020	1000	Purchase	76502	2.52

(iv) SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS (other than Directors, Promoters & Holders of GDRs & ADRs)

Shareholding in the beginning of the year				Shareholding at the end of the year			
Sr. No	Name of the Shareholder	No. of Shares held	% of share holding	Sr. No	Name of the Shareholder	No. of Shares held	% of Share holding
1.	Amrav Babulal Dugar	145990	4.80	1.	Amrav Babulal Dugar	146001	4.80
2.	Babulal Dugar	100000	3.23	2.	Babulal Dugar	53713	1.77
3.	Chandrakant Mohanbhai Patel	71500	2.35	3.	Chandrakant Mohanbhai Patel	71500	2.35
4.	Lataben Natvarlal Patel	71500	2.35	4.	Lataben Natvarlal Patel	71500	2.35
5.	Babubhai Kashiram Patel	71500	2.35	5.	Babubhai Kashiram Patel	71500	2.35
6.	Rakeshkumar Ramanlal Patel	66500	2.19	6.	Rakeshkumar Ramanlal Patel	66500	2.19
7.	Hardik Finance Ltd	60800	1.99	7.	Shardaben Baldevbhai Patel	60800	2.00
8.	Shardaben Baldevbhai Patel	57602	1.89	8.	Hardik Finance Ltd	57602	1.89
9.	Mithani Investments Pvt. Ltd	56908	1.87	9.	Mithani Investments Pvt. Ltd	56908	1.87
10.	Bhaveshbhai Baldevbhai Patel	53800	1.77	10.	Bhaveshbhai Baldevbhai Patel	53800	1.77
	Total	756100	24.86		Total	709824	23.34

(v) Shareholding of Directors & KMP

Sr. No	Name	Shareholding		Date	Increase/Decrease In Shareholding	Reason	Cumulative Shareholding During the year 01/04/2019 to 31/03/2020	
		No. of Shares at the beginning (01/04/2019)	% of shares of the Company				No. of Shares	% Of total Shares of the Company
1.	Ankit Pravinkumar Patel			29/05/2019	382	Purchase	69616	2.29
				01/07/2019	500	Purchase	70116	2.30
				19/11/2019	85	Purchase	70201	2.31
				20/11/2019	598	Purchase	70799	2.33
				11/02/2020	1000	Purchase	71799	2.36
				11/02/2020	72	Purchase	71871	2.36
				11/02/2020	300	Purchase	72171	2.37
				11/02/2020	280	Purchase	72451	2.38
				25/02/2020	300	Purchase	72751	2.39
				04/03/2020	835	Purchase	73586	2.42
				06/03/2020	116	Purchase	73702	2.42
				25/03/2020	1300	Purchase	75002	2.47
				26/03/2020	500	Purchase	75502	2.49
				27/03/2020	1000	Purchase	76502	2.52
2.	Pravinbhai Keshavlal Patel	15100	0.50	-	-	-	15100	0.50
3.	Dashrathbhai Devidas Patel	-	-	-	-	-	-	-
4.	Babulal Maganlal Patel	100	0.003	-	-	-	100	0.003
5.	Chaitali Ankitkumar Patel	9700	0.32	-	-	-	9700	0.32
6.	Kantibhai Sendharam Patel	-	-	-	-	-	-	-
7.	Shreya Shah (Company Secretary & Compliance Officer)	-	-	-	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Deposit	Unsecured Loans	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	0	2,82,12,283	11,99,952	2,94,12,235
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	2,82,12,283	11,99,952	2,94,12,235
Change in Indebtedness during the financial year	0			
Additions	0	66,79,143	0	66,79,143
Reduction	0	0	1,25,720	1,25,720
Net Change	0	66,79,143	1,25,720	65,53,423
Indebtedness at the end of the financial year				
i) Principal Amount	0	3,48,91,426	10,74,232	3,59,65,658
ii) Interest due but not paid	0	0	0	0
ii) Interest accrued but not due	0	0	0	0
tal (i+ii+iii)	0	3,48,91,426	10,74,232	3,59,65,658

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole time director or Manager:

No	Particulars of Remuneration	Pravinkumar K. Patel (MD)	Chaitali B. Patel
1	Gross Salary:		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	4,80,000	4,80,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	as % of profit	0	0
5	others : ALLOWANCE	0	0
	Total (A)	4,80,000	4,80,000
	Ceiling as per the Act	The remuneration paid is well within ceiling limits as prescribed under provisions of Companies Act, 2013.	

B. Remuneration to other directors

No	Name of the Directors	Particulars of Remuneration			
		Fee for attending Board meetings	Commission	Others : Allowance	Total
1	Independent Directors				
	Total (1)	-	-	-	-
2	Other Non Executive Directors				
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL DIRECTORS OTHER THAN MD/MANAGER/WTD

No	Particulars of Remuneration	Key Managerial Personnel		
		Hinal Shah (Company Secretary) (upto 22.11.2019)	Shreya Shah (Company Secretary) (w.e.f 25.02.2020)	Ankit Patel (Chief Financial Officer)
1	Gross Salary:			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1,38,750.00	34,000.00	4,80,000.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
5	Others, please specify (Bonus)	37,000	-	-
	Total	1,75,750.00	34,000.00	4,80,000.00

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD /NCLT /Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and behalf of the Board of Directors,

Date: 14/08/2020

Pravinkumar K Patel
(Chairman and Managing Director)
(DIN: 00841628)

MR-3
Secretarial Audit Report
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
K Z LEASING AND FINANCE LIMITED
Ahmedabad

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **K Z LEASING AND FINANCE LIMITED** (CIN: L65910GJ1986PLC008864) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records (as per Annexure A) maintained by the Company for the period ended on March 31, 2020 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- VI. The following industry specific laws, directions, circulars and guidelines:
Reserve Bank of India Act, 1934;

It has been found that the Company being an listed entity was not required to comply with the provision of the laws indicated in para (IV), (V) (c), (V) (d), (V) (e), (V) (g) and (V) (h) above.

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- b) The Listing Agreements entered into by the Company with BSE Limited pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliance under other laws and regulations applicable to the company.

Majority decisions were carried out unanimously and where it was not so, the dissenting members' views were captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

I further report that the compliance by the company of the direct and indirect tax laws has not been reviewed during this audit as the same has been subject to review by statutory financial auditor and other designated professionals.

Date: 27/07/2020
Place: Ahmedabad

For, G R Shah & Associates
Company Secretaries

Gaurang Shah
Proprietor
COP No: 14446

This report is to be read with our letter of even date which is annexed as **Annexure B** and forms an integral part of this report.

Annexure A

List of documents verified

1. Memorandum and Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Share Transfer Committee, Stakeholders Relationship Committee, CSR Committee and Independent Directors Meeting along with attendance register held during the period under report.
3. Minutes of General Body meetings held during the period under report.
4. Statutory registers | records under the Companies Act, 2013 and Rules made there under namely:
 - Register of the Directors and the Key Managerial Personnel
 - Register of the Directors' shareholding
 - Register of loans, guarantees and security and acquisition made by the Company
 - Register of Members.
5. Declarations received from the Directors of the Company in form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013.
6. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under report.
7. Communications /Letters issued to and acknowledgements received from the Independent Directors for their appointment.
8. Various policies framed by the Company from time to time as required under the Companies Act, 2013.

Annexure B

To,
The Members
K Z LEASING AND FINANCE LIMITED
1st Floor Deshana Chamber,
B/H Kadwapattidar Wadi,
Ashram Road,
Ahmedabad -380001.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

My responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on my audit. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Management Discussion and Analysis Report

This report covers the operations and financial performance of the Company and part forms of the Directors' Report.

AN INDUSTRY OVERVIEW:

The management is confident of improvement in the company's working in the near future with fast growth.

The scenario of the finance industry and economy in general is buoyant even after the industry is exposed to competition with policy of the government. The process of development, increasing thrust of the government on the finance industry, the future of industry appears quite bright.

OUTLOOK:

Financial year 2019-20 posed a serious challenge to the finance sector especially in Q4 in view of COVID-19 pandemic which engulfed the globe. Finance sector all over the globe is facing numerous issues exposed by global financial crisis, which have posed numerous challenges which we are trying to overcome. In consonance with idea of strengthening regulation and supervision, RBI has been constantly on the move to improve efficacy of its supervision and its regulatory functions. It is also focusing on both off site surveillance and on site surveillance.

BUSINESS HIGHLIGHTS:

Turnover:

K Z Leasing and Finance Limited have turnover of Rs. 1,11,63,058 in 2019-20 as against Rs. 86,85,166 in 2018-19

Employee Benefit Expenses:

Employees emoluments (other than managerial remuneration) is Rs. 30,93,265/- during the year as against Rs. 29,32,853/- during the previous year.

Administrative and Other Expenses:

Major components of administrative and other expenses includes printing and stationary, audit fees, advertisement expenses, postage and stamps, listing fees, insurance premium etc. Administrative and other expenses for the year amounted to Rs. 16,77,280/- as against Rs. 43,28,951/- during the previous year.

Depreciation:

Depreciation charge for the current year came to Rs. 57,023/- as against Rs. 42,101/- of the previous year.

Provision for Tax:

The Company has not made any provision towards current tax in the Current year. As there is no dividend payable this year, the company has not provided any amount for dividend distribution tax.

Profit/Loss after Tax:

The Company has made profit after tax for the current year is Rs. 24,17,890/- as against profit of Rs. 5,32,454/- during the previous year. The Directors are hopeful for the better and better performance in the future.

FINANCIAL CONDITION:

Non Current assets

(i) Financial investments :

Financial investments of the company is Rs. 7,44,25,822 as at 31st March, 2020 against Rs. 6,87,94,008 which was at 31st March, 2019

(ii) Loans and Advances :

Loans and advances of the company is Rs. 10,54,56,317 as at 31st March,2020 against Rs. 9,28,09,582 of previous year

(iii) Property Plant and Equipment:

Net block of the fixed assets at the end of the year is Rs. 4,38,920 as against Rs 4,95,943 in the previous year.

Current assets

The total Current Assets of the company as at 31st March, 2020 is Rs. 42,65,156 which was Rs 1,53,23,549 in the previous year.

Non Current Liabilities:

The Company's Non Current Liabilities includes Long Term borrowings of Rs. 10,74,232 as at 31st March, 2020 as against Long Term Borrowings of Rs. 11,99,952 as at 31st March, 2019.

Current Liabilities:

Company's Current Liabilities includes Trade payables and Other Current Liabilities which are amounting to Rs. 5,94,72,274 as at 31st March, 2020 against Rs. 4,35,96,374 as at 31st March, 2019

SWOT ANALYSIS OF THE COMPANY:

Strength:

- Management depth and ability to manage client / customer relationships
- Enhanced presence in the market through clientele basis

Opportunities and Threats:

The micro finance industry is subject to tough competition amongst various segments within and outside the country. The threat of competition is comparatively less in the area in which your company is operating. The increase in demand from business sector will provide opportunity to your company to increase more market share. Moreover, Indian Finance industry is witnessing changes in business dynamics.

A. RISKS AND CONCERNS :

The company is mainly focusing on manpower and the intelligence. Apart from the risk on account of interest rate and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions. The company has taken necessary measures to safe guard its assets and interest etc.

B. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and to monitor internal business process, financial reporting and compliance with applicable laws.

The internal control system has been designed so as to ensure that the financial and other records are reliable and reflects a true and fair view of the state of the Company's business. A qualified and independent committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

C. HUMAN RESOURCE MANAGEMENT :

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives.

Accounting Treatment

Audited Financial Statements for the year ended 31st March, 2020 are in compliance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act, 2013.

Cautionary Statement:

Statement made in the Management Discussion and Analysis Report describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates changes in the government regulations, tax laws & other statutes and other incidental factors.

Notable Updates in Banking Sector

The spread of COVID-19 continues across the globe, which has contributed a significant decline and volatility in global and Indian Financial market and significant decrease in economic activities. On March 24, 2020 the Indian Government announced 21 days strict lockdown which kept getting extended across the country with gradual and modest relaxation. In such scenario the RBI announced additional regulatory measures on March 27, 2020, April 17, 2020 and May 22, 2020 to ease financial stress. Some of Key directions are as follows:

1. Granting of three months moratorium on term loan installments which were further extended till August 31, 2020 vide RBI Notification dated May, 2020.
2. Easing of working Capital financing requirements by reducing margins/reassessment of working capital cycle.
3. Deferment of interest by six months on Working Capital facilities.
4. Exemption from defaulter classification in supervisory reporting and reporting to credit information companies.

The Hon'ble Prime minister of India announced a special economic package called **ATMANIRBHAR BHARAT ABHIYAN (SELF RELIANT INDIA CAMPAIGN)** on May 14, 2020 amounting to Rs 20 Lakh Crore which is almost equal to 10% of India's GDP. The special package mainly targets MSMEs which were saddled with either stressed accounts or non performing assets but functioning. The package includes the following measures:

1. Collateral free automatic loans for business MSMEs.
2. Subordinate debt for stressed MSME's.
3. Reclassification of MSME sector based on Investment criteria dated June 01, 2020.
4. Special Refinance facilities to NABARD, SIDBI, NHB at the policy repo rate.

Corporate Governance Report

OUR PHILOSOPHY

K Z Leasing And Finance Limited strives to adopt the highest standards of excellence in Corporate Governance. We strongly believe that corporate governance accompanies our long-term business success. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz., the Board of Directors, the senior management, employees, etc. The Company has consistently practiced good Corporate Governance norms for the past several years for the efficient conduct of its business and meeting its obligations towards all its stakeholders viz., the shareholders, customers, employees and the community in which the Company operates.

The Company has established procedures and systems to be fully compliant with the requirements stipulated by the Securities and Exchange Board of India (SEBI) from time to time as contained in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of which are given below.

The Company's Corporate Governance philosophy is reflected in the following key areas of the Company's approach to business and its stakeholders:

1. Board of Directors :

Composition:

As of date, the Board Comprises of 3 (Three) executive directors and 3 (Three) non executive directors out of which all 3 (Three) are independent directors. The company has an executive chairman and the number of non-executive/independent directors is more than 50% of the total number of directors. The Company, therefore, meets with the requirements relating to the composition of the Board of Directors.

The composition and category of Directors are as follows:

CATEGORY	NAME OF DIRECTORS	
Promoter & Executive Directors	Shri. Pravinbhai K. Patel	(Chairman & Managing Director)
	Shri. Ankit P. Patel	(Director, Chief Financial Officer)
	Smt. Chaitali B Patel	(Woman Promoter Director)
Independent Directors	Shri Babulal Maganlal Patel	(Independent Director)
	Shri. Kantibhai Sendharam Patel	(Independent Director)
	Shri Kantilal Joytiram Patel*	(Independent Director)
	Shri Dashrathbhai Devidas Patel**	(Independent Director)

Disclosure of relationships between Directors inter-se:

Name of directors	Relationship with other Director
Shri. Pravinbhai K. Patel	Father of Shri. Ankit P. Patel, Director of the Company.
Shri. Ankit P. Patel	Son of Shri Pravinbhai K. Patel, Chairman & Managing Director.
Shri Kantilal Joytiram Patel*	Not, in any way, concern / interested / related with any of the other directors of the company
Smt. Chaitali B Patel	Mrs. Chaitali B Patel, is wife of Mr. Ankit P Patel and daughter in law of Mr. Pravin Patel
Shri. Babulal Maganlal Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Shri. Kantibhai Sendharam Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Shri Dashrathbhai Devidas Patel**	Not, in any way, concern / interested / related with any of the other directors of the company

*Kantibhai J. Patel resigned from directorship w.e.f. 18th July, 2019

** Dashrathbhai D. Patel appointed w.e.f. 22nd July, 2019

Attendance of each Director at the Board meetings, Last Annual General Meeting and Number of Other Directorships and Chairmanships / Memberships of Committees of each Director in various companies, during the year 2019-20:

Name Of Directors	Attendance particulars		No. of Directorships and Committee Memberships / Chairmanships		
	Board Meetings	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Shri. Pravinbhai K. Patel	8	Yes	1	3	NIL
Shri Ankit P. Patel	8	Yes	1	Nil	NIL
Smt Chaitali B Patel	8	Yes	NIL	1	NIL
Shri Kantilal Joytiram Patel	2	Yes	NIL	4	1
Shri Babulal Maganlal Patel	8	Yes	1	4	3
Shri Kantibhai Sendharam Patel	8	No	NIL	1	NIL
Shri Dashrathbhai Devidas Patel	7	No	NIL	2	1

(No. of Directorship excludes directorship of Private Limited Companies, Foreign Companies, Companies license under Section 8 of the Companies Act, 2013 and Alternate Directorship.)

Note:

- i) Details of the Committee membership / chairmanship are in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ii) None of the Directors of the Company is a member of more than ten committees nor is the Chairman of more than five Committees across all the Companies in which he is a Director.

Number of Board Meetings held and dates on which held:

During the year under review, 8 (Eight) Board Meetings were held as against the minimum requirement of 4 meetings. The dates on which the meetings were held are 27/05/2019, 22/07/2019, 14/08/2019, 11/09/2019, 13/11/2019, 22/11/2019, 05/02/2020, and 25/02/2020. The Company has held one meeting every quarter and the maximum time gap between two meetings was not more than 120 days.

The Information as required under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take informed decisions. Where it is not practicable to attach supporting / relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the agenda.

Number of shares held by Non executive directors

Name of Directors	Category	No of Shares	Percentage (%)
Shri. Kantilal Joytiram Patel*	Non-executive / Independent	-	-
Shri Babulal Maganlal Patel	Non-executive / Independent	100	0.003
Shri. Dashrathbhai Devidas Patel**	Non-executive / Independent	-	-
Shri Kantilal Sendharam Patel	Non-executive / Independent	-	-

*ceased to be the director of Company due to resignation from directorship w.e.f. 18/07/2019

**appointed w.e.f. 22/07/2019 as a director of Company.

MD/CEO Certification:

Mr. Pravinkumar Keshavlal Patel, Managing Director of the Company was giving annual certification on financial reporting and internal controls to the Board in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. He also gives quarterly certification on financial results while placing the financial results before the Board.

Code of Conduct:

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Risk Management Policy:

The Company has formulated a Corporate Risk Management Policy applicable to its operations, which is duly approved by the Board of Directors in compliance with the requirement of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. Audit Committee and Board Members are reviewing and updating the said policy periodically.

2. Audit Committee:

The Board of Directors of the Company has constituted an Audit Committee and has it reconstituted from time to time. Presently, the Audit Committee comprises of 2 (Two) Independent directors namely Shri Babulal Maganlal Patel, Chairman (having financial and accounting knowledge) and Shri Kantibhai Sendharam Patel, and 1 (One) Executive Director, Shri Pravinkumar Keshavlal Patel as the member of the Committee.

The Constitution, composition and functioning of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges.

The terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

Powers of the Audit Committee:

The Audit Committee has powers that include the following:

- To investigate any activity of the Company within its terms of reference
- To seek information from any employee
- To obtain outside legal and other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Names of Members and Chairperson of the Audit Committee and the meetings attended by them during the Financial Year 2019-20 ending on 31st March, 2020, are as under:

Name of Directors	Category	Status / Designation	No. of Meeting attended
Shri. Kantilal Joytiram Patel*	Non-executive / Independent	Ex-Chairman	1
Shri Babulal Maganlal Patel	Non-executive / Independent	Chairman	4
Shri. Pravinbhai Keshavlal Patel	Executive Promoter Director	Member	4
Shri Kantilal Sendharam Patel	Non-executive / Independent	Member	3

*ceased to be the member of Audit Committee due to resignation from directorship w.e.f. 18/07/2019

The Committee met 4 (Four) times during the year 2019-20. The dates on which the Audit Committee meetings were held are 27/05/2019, 14/08/2019, 13/11/2019 and 05/02/2020. The maximum time gap between any two meetings was not more than four months.

Members of the Audit Committee have requisite accounting, financial and management expertise.

3. Nomination and Remuneration Committee:

In 2019-20, The Nomination remuneration committee comprised of 3 (Three) members namely, Mr. Kantibhai Sendharam Patel as the Chairman of the Committee and Mr. Babulal Maganlal Patel and Mr. Dashrathbhai Devidas Patel as other members. This Committee is entrusted with the responsibility of finalizing the remuneration of Executive / Whole Time Directors. The Committee met two (2) times i.e. 22/07/2019 and 05/02/2020 during the year under review.

4. Shareholders' and Investors' Grievance Committee:

The Board of Directors of the Company has constituted a Shareholders' and Investors' Grievance Committee which is reconstituted from time to time. In the year 2019-20, The Shareholders' and Investors' Grievance Committee comprised of Mr. Babulal Maganlal Patel as the Chairman of the Committee and Mrs. Chaitali Ankit Patel, Mr. Pravinkumar Patel and Mr. Kantilal Sendharam Patel as other members. The members of the Committee, inter alia, approve issue of duplicate certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipts of balance sheet, non-receipt of declared dividends etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Investor Grievances Committee met 4 (Four) Times during the year i.e. 27/05/2019, 14/08/2019, 13/11/2019 and 05/02/2020.

As required by the provisions of Regulation 13 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has designated the below cited e-mail ID of the Grievance Redressal Division / Compliance Officer exclusively for the purpose of registering complaints by investors.

E-mail ID – kzleasing@yahoo.com ; info@kzgroup.in

Also, the Company is registered on SCORES platform for handling the Investors' complaint electronically.

None of the request for transfers, dematerialization and re-materialization was pending for approval as on 31st March, 2020.

Quarter-wise Summary of Investors' Complaints received and resolved to the satisfaction of the shareholders during the financial year 2019-20.

Quarter Period		Complaints Position at the beginning of the quarter	Complaints received during the quarter	Complaints resolved during the quarter	Complaints pending at the end of the quarter
From	To				
01/04/2019	30/06/2019	0	0	0	0
01/07/2019	30/09/2019	0	0	0	0
01/10/2019	31/12/2019	0	0	0	0
01/01/2020	31/03/2020	0	0	0	0
Total		0	0	0	0
Complaint pending at beginning of the year		= 0			
Complaint received during the year		= 0			
Complaint resolved during the year		= 0			
Complaint pending at the end of the year		= 0			

Annual General Body Meetings:

Location, Date and Time for last three Annual General Meetings were as follows:

Year	Location	Date	Time
2018-19	1 st Floor Deshana Chamber, B/h Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014	27/09/2019	10.30 am
2017-18	1 st Floor Deshana Chamber, B/h Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014	29/09/2018	10.00 am
2016-17	1 st Floor Deshana Chamber, B/h Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014	11/09/2017	10.30 am

No Special Resolution has been passed in the previous three annual general meetings.

Disclosures:

- The Board of directors have formulated a policy on Related party transactions and have displayed on website of the Company www.kzgroup.in. During the Year there are no materially significant Related party transactions i.e. transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflicts with the interests of the company at large in the financial year 2019-20.
- The Company promotes ethical practices in all its business activities and has put in place a well defined whistle blower mechanism as per the requirements of RBI, Companies Act 2013, SEBI Listing Regulations, for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct or Ethics policy.
- In this regard the bank affirms that no employee has been denied access to Managing director/Audit Committee of Board under Whistle Blower mechanism.
- The Company has complied with all the mandatory requirements of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- The Auditors have expressed an unmodified opinion on the Financial Statements of the Bank for Financial year 2019-20
- The Company has no exposure in Commodity and hence there is no Commodity risks.
- The Company does not have any Subsidiaries, hence relevant disclosures regarding material disclosures does not arise, though Company has formulated policy of determining material subsidiaries which is placed on company's website www.kzgroup.in.
- The Statutory auditors were paid an audit fees of Rs 20,000 towards audit services for Financial year 2019-20.
- The Company has a Comprehensive Code of conduct applicable to all members of Board and Senior management depending on roles and responsibilities. The copy of code is available on Company's website www.kzgroup.in.
- Further the Company has complied with all applicable requirements as prescribed under the SEBI Listing Regulations, 2015. A certificate to this has been obtained from Statutory Auditor M/s Ranjit Galledar & Co, Chartered Accountants, Surat, which is furnished at end of this report.

Disclosure under Sexual Harrasment of Women at Workplace

No of Complaints received during the financial year	Nil
No of Complaints disposed during the financial year	Nil
No of Complaints pending as on the end of financial year	Nil

Means of Communication

The Company regularly intimates quarterly un-audited as well as yearly audited financial results to the Bombay Stock Exchange, immediately after the same are taken on record by the Board. These results are normally published in "Western

Times” English daily and Gujarati Daily News Paper and also displayed on the website of Company www.kzgroup.in. These are not sent individually to the Shareholders.

General Shareholder Information

34th Annual General Meeting:

Date : 30th September, 2020

Time : 10.30 a.m.

Venue : 1st Floor Deshana Chamber, B/h Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014.

As required under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars of Director seeking re-appointment are given in annexure to the Notice of the Annual General Meeting to be held on 30th September, 2020.

Financial Year / Calendar:

The Company follows April to March as its Financial Year. The results for every quarter beginning from April are being declared in the month following the quarter as per the Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date of Book Closure:

From Monday, 21st day of September, 2020 to Wednesday, 30th day of September, 2020 (both days inclusive).

Listing of Equity Shares on Stock Exchanges at:

Bombay Stock Exchange Limited, Mumbai (BSE),
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001

Annual listing fees for the year 2019-20, as applicable, have been paid to the Bombay Stock Exchange Limited. The Company has also paid Annual Custodial Fees for the year 2019-20, as applicable, to National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL].

Stock Code

Bombay Stock Exchange Limited : **511728**
Demat ISIN Number in NSDL & CDSL for Equity Shares: **INE006C01015**

Stock Market Data:

The monthly high and low quotations of shares traded at the BSE for the current year are provided as follows:

Financial Year 2019-20	High (Rs)	Low (Rs)
April	9.59	9.12
May	9.00	8.30
June	9.01	8.55
July	8.95	8.51
August	8.09	7.30
September	9.36	8.44
October	9.45	8.55
November	8.98	7.72
December	8.40	7.60
January	8.82	7.58
February	8.01	6.59
March	7.96	6.50

(Source: BSE Website)

Registrar and Transfer Agents

Link Intime India Private Limited.

Registered Office :

C 101, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai - 400083. Tel : 91-22-49186000

E-Mail: nilesh.dalwadi@linkintime.co.in; mumbai@linkintime.co.in

Share Transfer / Demat System:

All the shares related work is being undertaken by our R & T Agent, Link Intime India Private Limited, Mumbai. To expedite the process of share transfer, transmission, split, consolidation, re-materialization and de-materialization etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's R & T Agent under the

supervision and control of the Compliance Officer Ms Shreya Shah, who is placing a summary statement of transfer / transmission etc. of securities of the Company at the meeting of the Shareholders' and Investors' Grievance Committee. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents "Link Intime India Private Ltd", for assistance in this regard. The investors / shareholders grievances are also taken-up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in Practice as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Distribution Schedule and Shareholding Pattern as on 31st March, 2020

Distribution Schedule:

No. of equity shares held	No. of holders	% of Total Shareholders	No. of shares	% of Issued Capital
1 - 500	3619	90.43	539438	17.74
501 - 1000	206	5.15	175544	5.77
1001 - 2000	77	1.93	111354	3.66
2001 - 3000	20	0.50	49880	1.64
3001 - 4000	15	0.37	52264	1.72
4001 - 5000	15	0.37	71022	2.34
5001 - 10000	16	0.40	109582	3.60
10001 and Above	34	0.85	1932116	63.53
Total	4002	100.00	3041200	100.00

Shareholding Pattern:

Sr. No	Category	As on March 31, 2020		As on March 31, 2019	
		Nos. of Shares held	% of Shares held	Nos. of Shares held	% of Shares held
1	Promoters	772404	25.40	765136	25.16
2	Mutual Fund & UTI	NIL	NIL	NIL	NIL
3	Bank, Financial Institutions (FI's), Insurance Companies	NIL	NIL	NIL	NIL
4	Foreign Institutional Investors (FII's)	NIL	NIL	NIL	NIL
5	NBFC	57602	1.89	57602	1.89
6	Private Bodies Corporate	76154	2.50	81724	2.69
7	Indian Public	2006426	65.97	201478	66.14
8	HUF	127933	4.21	123799	4.07
9	Clearing Member	41	0.013	821	0.03
10	Non Resident Indians	640	0.02	640	0.02
	Total	3041200	100.00	3041200	100.00

De-materialization of Shares and Liquidity

The Company's Shares are in compulsory Demat segment and as on 31st March, 2020, 25,02,990 Equity Shares of the Company forming 82.30% of the company's paid - up Equity share capital is in dematerialized form.

Outstanding GDR/DR/Warrants or any Convertible Instruments - Not applicable.

Address for correspondence

a)	Investor Correspondence for transfer / de-materialization of shares and any other query relating to the shares of the Company.	Link Intime India Private Limited C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. Tel : 91-22-49186000 e-Mail: nilesh.dalwadi@linkintime.co.in
b)	Any other query and Annual Report	Secretarial Department 1 st Floor Deshana Chamber, B/h Kadwa pattidar Wadi, Ashram Road, Ahmedabad-380001 Tel : 079-27542298, 27543200 e-mail: info@kzgroup.in

Reconciliation of Share Capital Audit Report:

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of SEBI Circular No. D&CC/FITC/CIR-16/2002 dated December 31, 2002 reconciling the total shares held in both the depositories, viz NSDL and CDSL and in physical form with the total issued / paid-up capital of the Company were placed before the Board of Directors every quarter and also submitted to the Stock Exchange(s) every quarter in xbrl as well as pdf format.

DECLARATION UNDER REGULATION 34(3) READ WITH SCHEDULE V OF LODR, 2015

I confirm that all the directors and Senior management Personnel have affirmed compliance with code of conduct of Bank as applicable to them for year ended 31st March, 2020

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road, Ahmedabad –380014.

Date: 14/08/2020

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

**Pravinkumar K. Patel
(Chairman and Managing Director)
(DIN: 00841628)**

CERTIFICATION BY CEO / MANAGING DIRECTOR

To
The Board of Directors
K Z LEASING AND FINANCE LIMITED
1st floor, Deshna chamber,
B/H Kadwa Pattidar Wadi,
Ashram Road, Usmanpura,
Ahmedabad - 380001.

Dear Members of the Board,

I, PRAVINKUMAR K PATEL, Managing Director of the Company M/s. K Z LEASING AND FINANCE LIMITED, hereby certify that for the financial year ending **31st March, 2020** on the basis of the review of the financial statements and the cash flow statement and to the best of my knowledge and belief that :

1 These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

2 These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3 There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2019-20 which are fraudulent, illegal or in violation of the Company's code of conduct.

4 I accept responsibility for establishing and maintaining internal controls. I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies.

5 I further certify that:

- a) There have been no significant changes in internal control during this year.
- b) There have been no significant changes in accounting policies during this year.
- c) There have been no instances of significant fraud of which I have become aware and the

involvement therein, of management or an employee having a significant role in the Company's internal control system.

Place: Ahmedabad

Date: 14/08/2020

**PRAVINKUMAR K. PATEL
Chairman and Managing Director
(DIN: 00841628)**

Auditors Certificate on Corporate Governance

To,
The Members
K. Z. Leasing & Finance Limited

The Corporate Governance is not applicable to the Company as it has not attained the prescribed limit as mentioned Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, However the Company follows an effective Corporate Governance. We have examined the compliance of corporate governance by K. Z. Leasing & Finance Limited ('the Company') for the year ended 31st March, 2020 as stipulated in Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with Stock Exchanges. We have conducted our review on the basis of relevant records and documents maintained by the Company for the year ended 31st March, 2020 and furnished to us for the purpose of the review and the information and explanation given us by the Company during the review.

The compliance of condition of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of corporate governance as stipulated in the abovementioned SEBI (Listing Obligations and Disclosure requirements) Regulations 2015. As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance is pending for period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which management has conducted the affairs of the Company.

Place : Surat
Date : 14/08/2020

For, Ranjit Galledar & Co
Chartered Accountant

CA Ranjit Galledar
Proprietor
M.No.: 033390

INDEPENDENT AUDITORS' REPORT

To
The Members of **K. Z. LESING AND FINANCE LIMITED**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **K. Z. LEASING AND FINANCE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, the changes in equity and cash flows for the year ended as on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

In our opinion and based on the information and explanations given to us, there are no other key audit matters to be communicated in our report, other than those more fully described in the Emphasis of Matters paragraph of our report which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management.

Principal Audit Procedures

- We assessed the Company's process to identify, assess, and respond to risks of material misstatement considering the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results for the year under consideration

- As part of the evaluation of whether sufficient appropriate audit evidence has been obtained, we have evaluated the appropriateness of our initial risk assessments and revises previous risk assessments in light of the COVID-19 crisis for certain financial statement areas, including disclosures
- We have considered the impact on the processes and controls that may be affected by necessary changes to business processes in light of circumstances such as travel restrictions, or as a result of remote working arrangements.
- We have designed, performed new procedures and modified previously planned audit procedures as a result of the necessity for carrying out the audit procedures remotely, including verification of the source and completeness of data provided for audit. This includes performing alternative audit procedures to obtain audit comfort in respect of significant account balances for recognition, measurement and disclosures.
- We have audited the management's estimates required in the financial statements, including, but not limited to, estimates related to expected credit loss, impairment analyses by checking the reasonableness of underlying assumptions in making those key estimates. We specifically discussed the impact of COVID-19 with the management and critically challenged the key assumptions and their reasonableness in making such key accounting estimates
- We have considered the basis of management judgment in determining impact on the financial statements of any subsequent events related to the COVID-19 pandemic, taking into consideration the date of the financial statements, the facts and circumstances pertaining to the entity, and the conditions that existed at, or arose after, that date. As the impacts of the COVID-19 outbreak continue to evolve, including regulatory restrictions/ conditions, capturing events that relate specifically to conditions that existed at the date of the financial statements, or after the date of the financial statements, we have considered all subsequent events and transactions to substantiate our conclusions on the appropriateness of management's assessment of the Covid'19 impact.
- We have carried out a detailed analysis of data and performed additional analytical procedures for validating the management's assessment of impact due to covid'19 related uncertainties
- We have considered management's adjustments or disclosures which includes the impact of the changes in the environment on the recognition and measurement of account balances and transactions in the financial statements or other specific disclosures.

Emphasis of Matter

As more specifically explained in Note 2 to the financial statements, the Company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investments and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company continues to evaluate them as highly probable considering the orders in hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of the financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Our opinion is not modified in respect of this matter.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

- (e) On the basis of the written representations received from the directors as on March 31,2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

Place : Surat
Date : 30/06/2020

For, Ranjit Galledar & Co.
Chartered Accountant
(FRN: 108640W)

Ranjit Galledar
Proprietor
(Mem. No. 033390)
(UDIN : 20033390AAAABV1234)

Annexure “A” to the Independent Auditor’s Report*

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of **K.Z.LEASING AND FINANCE LIMITED** of even date)

1.	In respect of the Company’s fixed assets:	
	(a)	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
	(b)	The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
	(c)	According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
2.	The Company is providing financial services and there is no inventory with the Company, this clause is not applicable to the Company.	
3.	According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.	
4.	In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.	
5.	In our opinion and according to the information and explanations given to us, the company has complied with the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company in respect of the aforesaid deposits.	
6.	The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.	
7.	In respect of statutory dues:	

	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
		According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable
	(b)	According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8		In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
9.		The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
10.		To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11.		In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12.		The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13.		According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14		According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15		According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16		According to the information and explanations given to us and based on our examination of the records of the company, the company is NBFC Registered with under section 45-IA of the Reserve Bank of India Act 1934.

Place : Surat
Date : 30/06/2020

For, Ranjit Galledar & Co.
Chartered Accountant
(FRN: 108640W)

Ranjit Galledar
Proprietor
(Mem. No. 033390)
(UDIN : 20033390AAAABV1234)

“Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of K.Z.LEASING AND FINANCE LIMITED of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub - section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of K.Z.LEASING AND FINANCE LIMITED (“the Company”) as at March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s responsibility for internal financial controls

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating

effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Surat

Date : 30/06/2020

For, Ranjit Galledar & Co.

Chartered Accountant

(FRN: 108640W)

Ranjit Galledar

Proprietor

(Mem. No. 033390)

(UDIN : 20033390AAAABV1234)

Balance Sheet as at 31 March , 2020

	Particulars	Notes	2019-2020	2018-2019	2017-2018
A	ASSETS				
1	Non Current assets				
	(a) Property Plant and Equipment	4	4,38,920.00	4,95,943.00	4,64,624.00
	(b) Capital work -in - progress		0.00	0.00	0.00
	(c) Other Intangible assets		0.00	0.00	0.00
	(d) Intangible assets under development		0.00	0.00	0.00
	(e) Financial assets				
	(i) Investments	5	7,44,25,822.00	7,15,20,858.00	5,14,47,432.00
	(ii) Trade receivables		0.00	0.00	0.00
	(iii) Loans and Advances	6	10,54,56,317.00	9,28,09,582.00	6,06,07,123.00
	(f) Deferred tax assets (net)		0.00	0.00	0.00
	(g) Other non-current assets		0.00	0.00	0.00
	Total Non - Current assets		18,03,21,060.00	16,48,26,383.00	11,25,19,179.00
2	Current assets				
	(a) Inventories		0.00	0.00	0.00
	(b) Financial Assets				
	(i) Investments	7	33,21,935.00	1,44,41,170.00	72,13,245.00
	(ii) Trade receivables	8	48,024.00	1,330.00	0.00
	(iii) Cash and cash equivalents	9	1,17,063.00	1,02,915.00	20,09,028.00
	(iv) Bank balances other than (iii) above		0.00	0.00	0.00
	(v) Loans	10	7,78,134.00	7,78,134.00	6,56,976.00
	(vi) Other financial assets		0.00	0.00	0.00
	(c) Other current assets		0.00	0.00	0.00
	Total Current Assets		42,65,156.00	1,53,23,549.00	98,79,250.00
3	Non-Current Assets classified as held for sale		0.00	0.00	0.00
	Total Assets		18,45,86,215.00	18,01,49,932.00	12,23,98,428.00
	EQUITY AND LIABILITIES				
	EQUITY				
	(a) Equity Share Capital	11	3,04,12,000.00	3,04,12,000.00	3,04,12,000.00
	(b) Other Equity	12	8,32,68,338.00	9,10,11,970.00	7,59,07,433.84
	Total Equity		11,36,80,338.00	12,14,23,970.00	106319434.00
	LIABILITIES				
1	Non-Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	13	10,74,232.00	11,99,952.00	10,47,754.00
	(ii) Trade Payables		0.00	0.00	0.00
	(iii) Other Financial Liabilities		0.00	0.00	0.00
	(b) Provisions		0.00	0.00	0.00
	(c) Deferred tax liabilities (Net)		1,03,59,372.00	1,39,29,636.00	76,33,837.00
	(d) Other non-current liabilities		0.00	0.00	0.00
	Total Non - Current Liabilities		1,14,33,604.00	1,51,29,588.00	86,81,591.00
2	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	14	3,58,49,916.00	2,82,12,283.00	65,93,131.00
	(ii) Trade Payables	15	92,459.00	1,32,990.00	3,10,203.00
	- total outstanding dues to Micro and small enterprises		0.00	0.00	0.00
	- total outstanding dues to creditors other than micro and small enterprise		92,459.00	1,32,990.00	3,10,203.00
	(iii) Other Financial Liabilities		0.00	0.00	0.00
	(b) Other current liabilities	16	2,35,29,898.00	1,52,51,101.00	3,86,989.00
	(c) Provisions		0.00	0.00	1,07,080.00
	(d) Current Tax Liabilities (Net)		0.00	0.00	0.00
	Total Current Liabilities		5,94,72,274.00	4,35,96,374.00	73,97,403.00
	Total Equity and Liabilities		18,45,86,215.00	18,01,49,932.00	12,23,98,428.00
	See accompanying notes forming part of the financial statements				

In terms of our report attached.

For Ranjit Galledar & Co.
(Chartered Accountants)

CA Ranjit Galledar
Firm Regn no. 108640W
Mem. No. 033390
Place : Surat
Date : 30/06/2020

By Order of Board

For K Z leasing and Finance Limited

Pravinkumar K. Patel (Chairman and Managing Director) (DIN: 00841628)	Ankit P. Patel (Director, CFO) (DIN: 02901371)	Shreya Shah (Company Secretary) (ACS: 59076)
	Place: Ahmedabad	Date : 30/06/2020

Profit and Loss for the year ended 31 March, 2020

	Particulars	Notes	2019-2020	2018-2019	2017-2018
A	CONTINUING OPERATIONS				
	Income				
1	Revenue From Operations (Gross)	17	61,36,120.00	46,39,647.00	28,46,243.00
	Less: Excise duty		0.00	0.00	0.00
	Revenue From Operations (Net)		61,36,120.00	46,39,647.00	28,46,243.00
2	Other income	18	50,26,938.00	40,45,519.00	71,88,013.00
3	Total revenue		11,16,30,58.00	86,85,166.00	1,00,34,256.00
4	Expenses				
	(a) Cost of Materials Consumed		0.00	0.00	0.00
	(b)(Increase)/ decrease inventories of finished goods, work-in-progress and stock-in-trade		0.00	0.00	0.00
	(c) Employee Benefits Expense	29	30,93,265.00	30,80,428.00	29,32,853.00
	(d) Other Expenses				
	Administrative & Office Expense	20.a	17,72,741.00	21,16,048.00	43,16,714.00
	Selling & Distribution Expense	20.b	20,933.00	19,,398.00	12,237.00
5	Total		48,86,939.00	52,15,874.00	72,61,804.00
6	Earning Before Interest, tax, depreciation and amortization (EBITDA) (3 - 5)		62,76,118.00	34,69,292.00	27,72,451.00
	Depreciation and Amortisation expense	4	57,023.00	42,101.00	30,468.00
	Finance costs	21	35,59,136.00	3,00.11.817.00	13,01,187.00
7	Total		36,16,159.00	30.4.39.18.00	13,31,655.00
8	Profit / (Loss) before tax (6 + 7)		26,59,960.00	4,25,374.00	14,40,796.00
9	Tax expense:				
	(a) Current tax expense for current year		0.00	0.00	1,07,080.00
	(b) (Less): MAT credit (where applicable)		0.00	0.00	0.00
	(c) Current tax expense relating to prior years		2,42,070.00	-1,07,080.00	0.00
	(d) Net current tax expense		0.00	0.00	0.00
	(e) Deferred tax Assets/ (Liabilities)		0.00	0.00	0.00
			2,42,070.00	-1,07,080.00	1,07,080.00
10	Profit / (Loss) from continuing operations (8 + 9)		24,17,890.00	5,32,454.00	13,33,716.00
B	DISCONTINUING OPERATIONS				
11.i	Profit / (Loss) from discontinuing operations (before tax)		0.00	0.00	0.00
11.ii	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		0.00	0.00	0.00
11.iii	Add / (Less): Tax expense of discontinuing operations		0.00	0.00	0.00
	(a) on ordinary activities attributable to the discontinuing operations		0.00	0.00	0.00
	(b) on gain / (loss) on disposal of assets / settlement of liabilities		0.00	0.00	0.00
12	Profit / (Loss) from discontinuing operations (11.i + 11.ii + 11.iii)		0.00	0.00	0.00
C	TOTAL OPERATIONS		0.00	0.00	0.00
13	Profit / (Loss) for the year (10 + 12)		24,17,890.00	5,32,454.00	13,33,716.00

In terms of our report attached.

For Ranjit Galledar & Co.
(Chartered Accountants)

By Order of Board
For K Z leasing and Finance Limited

CA Ranjit Galledar
Firm Regn no. 108640W
Mem. No. 033390
Place : Surat
Date : 30/06/2020

Pravinkumar K. Patel
(Chairman and Managing Director)
(DIN: 00841628)

Ankit P. Patel
(Director, CFO)
(DIN: 02901371)

Shreya Shah
(Company Secretary)
(ACS: 59076)

Place : Ahmedabad Date : 30/06/2020

Notes forming part of the Financial Statements and Significant Accounting Policies

Not Particulars

e

1) Corporate information

K. Z. Leasing & Finance Ltd. has over the years been practicing the principles of good Corporate Governance and continuously reviews its investor relationship measures with a view **K. Z. Leasing & Finance Ltd.** Basically need and is not to be looked upon as an issue of compliance alone.

2) Summary of Significant Accounting Policies

a) **Basis of Accounting**

Accounts are prepared under historical cost convention. Revenues are recognized and the expenses are accounted for on an accrual basis with provision for all known liabilities and losses except to the extent that i. Income in respect of Non Performing Assets is recognized only when received as prescribed by the prudential norms issued by the Reserve Bank of India for Non Banking Financial Companies And ii. There were no provision for lower Market Value Of securities (investments) as there were frequent change in market prices.

b) **Recognition of Income & Expenditure**

Revenue Recognition :

- 1.The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and provision of the Companies Act, 2013.
2. The Company generally follows mercantile system of accounting and recognizes significant items of Income and expenditure on accrual basis.

Expenses :

1. All Expenditure is on mercantile basis.
2. Interest rates on unsecured loans are decided by the Directors.
3. Hire Purchase advances also include the other type of advances guaranteed either on fixed assets or personal guarantee of the loan.
4. Bad & Doubtful advances written off as and when no recovery instead NPA of provision.

c) **Fixed Assets**

Fixed Assets are stated at cost. Cost comprises the purchase price or acquisition cost and any Attributable cost of bringing the assets to working condition for its intended use.

d) **Depreciation**

1. Depreciation on Tangible Assets has been provided on the Straight Line Method as per the rates prescribed in Schedule II of Companies Act, 2013.
2. Depreciation on addition during the year has been provided on pro rata basis i.e. from the date of its purchase or its actually put to use whichever is late and with reference to the method of Depreciation.

e) **Inflation**

The assets and liabilities are recorded at historical cost in the company. These costs are not Adjusted to reflect the changing value in the purchasing power of money.

Note :4 Fixed Assets

Name of assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening 01/04/19	Addition acq. Through business combinations	Sale or transfer	Total 31/03/20	Opening 01/04/19	For the year	Depreciation w/off	Total 31/03/20	As on 31/03/20	As on 31/03/19
A. Tangible Assets										
Air Conditioner	46,000	-	-	46,000	15,397	8,740		24,137	21,863	30,603
Office -Building	5,58,200	-	-	5,58,200	2,09,767	8,838		2,18,605	3,39,595	3,48,433
Furniture	3,66,461	-	-	3,66,461	3,48,138	-		3,48,138	18,323	18,323
Mobile	85,239	-	-	85,239	53,243	16,195		69,438	15,801	31,996
Computer	1,03,320	-	-	1,03,320	36,732	8,327		59,982	43,338	66,588
TOTAL-A	11,59,220		-	11,59,220	6,63,277	42,101	-	7,20,300	4,38,920	4,95,943

Note : 5 Investments

Particulars	2019-2020	2018-2019
Equity Share (Quoted)		
3 I infotech Ltd	9,551.00	28,286.00
Aditya Birla Capital Ltd	2,52,900.00	5,83,200
Apple Credit Corp. Ltd Shares	160.00	160.00
Apple finance Ltd-Shares	1,463.00	1,872.00
Apt Packaging Ltd	-	-
Bank of Maharashtra Shares	3,47,990.00	5,37,625.00
Bharat Electronics	13,40,100.00	-
Central Bank of India –share	84,758.00	2,46,662.00
Dangee Dums Ltd	58,88,000.00	-
Empee Distileries Ltd-share	2,805.00	7,700.00
Gujarat NRI Coke Ltd	14,724.00	14,724.00
Gujarat NRI Coke class	1,051.00	1,051.00
Indag Product Ltd Shares	-	-
K.M.F Ltd Shares	-	-
Lupin Limited	24,76,530.00	-
Macchar Infrastructure Ltd	-	-
Modern Insulator Ltd Share	-	-
M T N L	8,470.00	16,800.00
NHPC Share	2,99,250.00	3,70,500.00
NMDC Ltd	24,000.00	31,335.00
North Gate	270.00	390.00
Organic Chemol Ltd shares	-	-
Premier pipes	4,920.00	6,882.00
Proposed India	87.00	120.00
Punjab National Bank	97,050.00	2,86,500.00
Parasrampuriah Synth Ltd Shares	-	-
Q.S.T Ltd Shares	-	-
Reliance Industries Ltd	46,75,523.00	67,45,361.00
Reliance Power Ltd	4,375.00	39,725.00
Shipping Corporation	22,500.00	22,680.00
S N S Diagnostics Ltd Shares	-	-
Surya Protein Ltd.	-	-
Sun pharmaceuticals	3,52,300.00	-
TCSL Shares	5,63,53,446.00	6,01,69,599.00
Tirupati Ind (I) Ltd	24.00	24.00
UCO Bank	3,46,018.00	7,18,799.00
Unitech Ltd	4,375.00	4,725.00
United Leasing Ltd Shares	-	-
Wockhardt	4,31,625.00	-
Equity Shares (Unquoted)		
The Navnirman Co op Bank Ltd	-	66,000.00
Mutual Fund		
ABSL Frontline Growth Equity fund	2,31,107.00	3,17,459.00
DSP Blackrock Top 100 Equity fund	1,80,500.00	2,40,834.00
DSP Blackrock Equity Opportunity Fund	2,39,617.00	3,17,925.00
Reliance Growth Fund	2,12,593.00	2,85,626.00
Sundaram selected Midcap	3,20,790.00	4,58,294.00
Total	7,44,25,822.00	7,15,20,858.00

*Investments are valued at market value

Note: 6 Loans and Advances

Particulars	2019-2020	2018-2019
Current Loan	7,78,88,846.00	5,86,76,417.00
Inter Corporate Loan	0.00	23,95,852.00
	7,78,88,846.00	6,10,72,269.00
Advance with Government Authority :		
Tax deducted at source – Refund Receivable	9,33,475.00	11,33,645.00
	9,33,475.00	11,33,645.00

Deposits		
Director Deposits	0.00	0.00
The Navnirman Co Op Bank Ltd F D	5,09,349.00	5,00,000.00
Suryodaya Small Finance Bank Ltd	51,03,668.00	51,03,668.00
UCO Bank FD	10,20,979.00	50,00,000.00
Shree Kadi Nagrik Shahkari Bank Ltd	2,00,000.00	2,00,000.00
	2,66,33,996.00	3,06,03,668.00
Total	10,54,56,317.00	9,28,09,582.00

Note : 7 Investments

Particulars	2019-2020	2018-2019
Shares		
Bharat Electronics Ltd	-	11,19,000.00
Dangee Dums Ltd	-	9,4,72,000.00
Sun Pharmaceuticals	-	4,78,850.00
Syndicate Bank	-	5,61,600.00
Lupin Ltd	-	23,66,720.00
Wockhardt Ltd	-	4,43,000.00
BSE Limited	2,96,800.00	-
Coal India Ltd	14,00,500.00	-
Glenmark Pharmaceuticals	7,61,645.00	-
HDFC Bank Ltd Share	5,17,140.00	-
Motherson Sumi Sys	2,44,200.00	-
Tata Steel Ltd	2,69,600.00	-
Titan Industries	1,86,700.00	-
Vedanta Ltd	9,05,800.00	-
Total	33,21,935.00	1,44,41,170.00

Note : 8 Trade Receivables

Particulars	2019-2020	2018-2019
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		
Other receivables	48,024.00	1,330.00
Total	48,024.00	1,330.00

Note : 9 Cash and Cash Equivalents

Particulars	2019-2020	2018-2019
(a) Cash on hand	15,022.00	2,194.00
(b) Balances with banks	1,02,041.00	1,00,721.00
Total	1,17,063.00	1,02,915.00

Note: 10 Short-term loans and advances

Particulars	2019-2020	2018-2019
Mat Credit Receivable	7,78,134.00	6,56,976.00
Total	7,78,134.00	6,56,976.00

Note : 11 Share Capital

PARTICULARS	2019-2020		2018-2019	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
(a) Authorised				
Equity shares of Rs. 10 (F.V) each with voting rights	32,00,000.00	3,20,00,000.00	32,00,000.00	3,20,00,000.00
	32,00,000.00	3,20,00,000.00	32,00,000.00	3,20,00,000.00
(b) Issued, Subscribed and fully paid up				
Equity shares of Rs. 10 each with voting rights	30,41,200.00	3,04,12,000.00	30,41,200.00	3,04,12,000.00
Total	30,41,200.00	3,04,12,000.00	30,41,200.00	3,04,12,000.00

* The company has only one class of Equity share having Per Value of Rs.10 per share. Each holder of Equity shares is entitled to vote one per share

Note 11.a**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Fresh issue	If, Any other	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2020				
- Number of shares	30,41,200.00	-	-	30,41,200.00
- Amount (Rs.)	3,04,12,000.00	-	-	3,04,12,000.00
Year ended 31 March, 2019				
- Number of shares	30,41,200.00	-	-	30,41,200.00
- Amount (Rs.)	3,04,12,000.00	-	-	3,04,12,000.00

Note 11.b**(ii) Details of shares held by each shareholder holding more than 5% shares**

Class of shares / Name of shareholder	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
No shareholders are having the holding of shares more than 5%	NIL	NIL	NIL	NIL

Note 11.c

There were no instances of shares being issued / allotted by way of bonus shares or for consideration other than cash and no shares have been bought back by the company during the period of five years immediately preceding the date of balance sheet.

Note: 12 Reserves and surplus

Particulars	2019-2020	2018-2019
(a) Revenue reserve		
Opening Balance	3,95,24,581.00	3,90,98,618.00
Add : Addition During the Year	19,34,312.00	4,25,963.00
	4,14,58,893.00	3,95,24,581.00
(b) Statutory reserve		
Opening Balance	98,08,895.00	97,02,404.00
Add : Addition During the Year	4,83,578.00	1,06,491.00
	1,02,92,473.00	98,08,895.00
(c) NPA Provision		
Opening Balance	20,32,605.00	20,32,605.00
Add : Addition During the Year	0.00	0.00
Less: Deduction during the Year	0.00	0.00
	20,32,605.00	20,32,605.00
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance		
Add: Profit / (Loss) for the year	5,32,454.00	5,32,454.00
Provision written back	0.00	0.00
Less: Interim dividend	-	-
Tax on dividend	-	-
Transferred to:		
Statutory Reserve	4,83,578.00	1,06,491.00
Revenue Reserve	19,34,312.00	4,25,963.00
	0.00	0.00
(e) Fair value through other Comprehensive income		
Opening balance	3,69,19,039.00	2,50,73,807.00
Add : Addition during the year	2,94,84,367.00	3,96,45,889.00
Less : Deduction during the year	3,69,19,039.00	2,50,73,807.00
	2,94,84,367.00	3,96,45,889.00
Total	8,32,68,338.00	9,10,11,970.00

Note : 13 Borrowings

Particulars	2019-2020	2018-2019
(a) Term loans		
From banks		
Secured	0.00	0.00
Unsecured	0.00	0.00
From other parties	0.00	0.00
Secured	0.00	0.00
Unsecured	0.00	0.00
	0.00	0.00
(b) Loans and Advances From Directors		
Secured	0.00	0.00
Unsecured	0.00	0.00
	0.00	0.00
(c) Loans and Advances From Others		
Secured	0.00	0.00
Unsecured	10,74,232.00	11,99,952.00
	10,74,232.00	11,99,952.00
TOTAL (A+B+C)	10,74,232.00	11,99,952.00

Note: 14 Borrowings

Particulars	2019-2020	2018-2019
Unsecured		
(a) Term loans from related parties	-	-
(b) Advance from other parties	-	-
(c) Deposits from related parties	9,58,490.00	
(d) Other deposits	3,48,91,426.00	2,82,12,283.00
Total	3,58,49,916.00	2,82,12,283.00

Note : 15 Trade Payables

Particulars	2019-2020	2018-2019
Trade Payables:		
Dues to MSMED Creditors#	-	-
Due to Others		
Creditors for goods & services	92,459.00	1,32,990.00
Total	92,459.0000	1,32,990.00

#Note for MSMED

The Company has not received the information and Certificate of Registration under MSMED from its Supplier and hence, the details are not available for disclosure

Note : 16 Other Current Liabilities

Particulars	2019-2020	2018-2019
Statutory Liabilities		
TDS Payable	2,31,582.00	1,99,330.00
Short Term Payables		
Professional Tax Payable	4,000.00	2,000.00
Other Liability	6,62,645.00	5,67,971.00
Bank Overdraft	2,26,31,671.00	1,44,81,800.00
Total	2,35,29,898.00	1,52,51,101.00

Note : 17 Revenue From Operations

Particulars	2019-2020	2018-2019
Loan Interest	61,36,120.00	46,39,647.00
Total	61,36,120.00	46,39,647.00

Note : 18 Other Income

Particulars	2019-2020	2018-2019
Dividend Income	27,69,205.00	8,92,928.00
Interest Received on Deposits (Net)	23,19,272.00	22,91,759.00
Long term Profit on sale of shares	1,02,592.00	-41,650.00
Short term Profit on sale of shares	(2,49,900.00)	8,49,306.00
Share trading Profit & Loss	52,082.00	53,176.00
Interest Received on KVP	0.00	0.00
Long term Profit on Mutual fund	0.00	0.00
Income Tax Refund Interest Income	(13,899.00)	0.00
Interest Income on Income Tax	47,585.00	0.00
Total	50,26,938.00	40,45,519.00

Note : 19 Employee Benefits Expense

Particulars	2019-2020	2018-2019
Salary Expenses	12,08,400.00	11,15,800.00
Remuneration to Director	14,40,000.00	14,40,000.00
Bonus Expenses	3,58,600.00	3,71,600.00
Staff Welfare	86,265.00	1,53,028.00
Total	30,93,265.00	30,80,428.00

Note 20 Other expenses

Particulars	2019-2020	2018-2019
20.a Administrative & Office Expenses		
Annual Custodian Charges	25,987.00	20,034.00
Legal & Professional Expenses	10,000.00	0.00
Audit Fees	20,000.00	20,000.00
Brokerage & Commission Exp	25,521.00	29,443.00
Car & Scooter Maintenance	50,574.00	42,787.00
Company Secretary Fees	25,000.00	25,000.00
Conveyance Allowances Exp.	0.00	0.00
Center GST	2,747.00	3,105.00
Computer Repairing Expense	500.00	2,900.00
Designated Depository Charges	11,800.00	11,800.00
Electric Power Expenses	81,380.00	92,240.00
Gujarat Chamber of Commerce and Industry	3,894.00	0.00
Internal Audit fees	17,700.00	41,600.00
Investmentor Securities Ltd Exps	0.00	50.00
Office Repairing Expenses	0.00	1,10,404.00
Air Conditioning Repairing expenses	2,000.00	0.00
Other membership fees	24,220.00	67,050.00
Medical Expenses	0.00	1,426.00
Municipality tax	59,732.00	55,255.00
Office Expenses	64,807.00	81,296.00
Petrol	2,88,346.00	2,58,729.00
Postage & Tele. Expenses	24,345.00	41,668.00
Professional Tax	2,000.00	2,000.00
Registration Filing Fees Expenses	31,435.00	4,200.00
Refreshment Exps	1,79,642.00	1,37,022.00
Securities Transaction Tax	25,904.00	31,931.00
State GST	2,747.00	3,105.00
Stationery expenses	6,787.00	9,013.00
Service Tax	0.00	0.00
Stipend Expense	0.00	30,000.00
Stamp Expenses	635.00	1,264.00
STT On Speculation	492.00	498.00
Stamp Duty Expenses	0.00	0.00
Traveling Expenses	2,53,760.00	4,87,304.00
Bad Debts	0.00	0.00

Car Insurance	45,598.00	30,451.00
Income Tax Filing Fees	0.00	2,950.00
Kotak Charges	2,235.00	4,000.00
CIBIL Charges	2,793.00	4,286.00
Balance Written Off	0.00	0.00
Internet Connection Charges	16,795.00	0.00
Website Hosting & Maintenance & Emails	7,670.00	0.00
Other Expenses	4,953.00	5,070.00
Share Registrar & Transfer agent fees	96,740.00	1,63,166.00
Stock Exchange & Listing Fees	3,54,000	2,95,000
Total-A	17,72,741.00	21,16,048.00
20.b Selling & Distribution Expense		
Advertisement Expenses	20,933.00	19,398.00
Total-B	20,933.00	19,398.00
Total= A+B	20,933.00	19,398.00

#Notes: Auditors Remuneration

Particulars	2019-2020	2018-2019
Payments to the auditors comprises		
For Audit Fees	20,000.00	20,000.00
Total	20,000.00	20,000.00

Note 23 Finance costs

Particulars	2019-2020	2018-2019
Interest Expense	35,56,205.00	29,65,518.00
Bank Charges & Commission	2,886.00	36,299.00
Demat Charges	45.00	0.00
Total	35,59,136.00	34,59,983.00

Cash Flow Statement for The Year Ended on 31/03/2020

Particular	For The Year Ended 31/03/2020	For The Year Ended 31/03/2019	For The Year Ended 31/03/2018
A. Cash Flow From Operating Activities			
Net profit before tax and extra ordinary item	26,59,960.00	4,25,374.00	14,40,796.00
Add :			
(A) Depreciation	57,023.00	42,101.00	30,468.00
(B) Long term Capital Loss	0.00	41,650.00	0.00
(C) Short term Capital Loss	2,49,900.00	0.00	0.00
(D) Income Tax			5,52,674.00
(E) Income Tax Refund Int Income	13,899.00	0.00	0.00
(F) Bad debts	0.00	0.00	0.00
	29,80,782.00	5,09,125.00	20,23,938.00
Deduct :			
Dividend Income	27,69,205.00	8,92,928.00	8,04,963.00
Bank Int. Income	23,19,272.00	22,91,759.00	23,45,607.00
Long term Capital Gain	102,592.00	0.00	17,84,570.00
Short Term Capital Gain	0.00	8,49,306.00	10,52,480.00
Speculation Gain	52,082.00	53,176.00	1,26,285.00
Interest Received on KVP	0.00	0.00	10,74,107.00
Interest Income on Income Tax	47,585.00	0.00	0.00
	52,90,737.00	40,87,169.00	71,88,013.00
Operating profit before working Capital Changes	-23,09,955.00	-35,78,044.00	-51,64,075.00
Adjustment for working capital changes			
(Increase)/ Decreasing in Current asset	-46,694.00	-122,488.00	89,964.00
Increase/ (Decrease) in Current Liabilities	88,396.00	2,05,098.00	2,68,708.00
Cash Flow From Operation			
Less: Direct Tax Paid	0.00	0.00	0.00
Cash Inflow before extraordinary items & prior year adjustment	-22,68,253.00	-34,95,434.00	-48,05,402.00
Extraordinary items and prior year adjustment	0.00	0.00	0.00
Income Tax paid	-2,42,070.00	0.00	0.00
Net cash from Operating activities (A)	-22,68,253.00	-34,95,434.00	-48,05,402.00
B. Cash Flow From Investing Activities			
Sale of Share	11,703,452.00	1,33,76,250.00	4,79,90,237.00
Sale of Mutual fund	0.00	2,29,52,597.00	16,13,36,07.00
Intercorporate Loan taken	1,19,45,259.00	3,36,26,764.00	2,38,48,658.00
Current Loan taken	5,31,40,159.00	7,48,40,097.00	6,36,61,790.00
Decrease in TDS Receivable	2,00,170.00	0.00	0.00
Dividend Income	27,69,205.00	8,92,928.00	8,04,963.00
Bank Int. Income	23,19,272.00	22,91,759.00	23,45,607.00
Short term Capital Gain	0.00	8,49,306.00	10,52,480.00
Long term Capital Gain	1,02,592.00	0.00	17,84,570.00
Speculation profit	52,082.00	53,176.00	1,26,285.00
Interest Received on KVP	0.00	0.00	0.00
Interest Income of Income Tax	33,686.00	0.00	0.00
Less: Purchase of Equity shares	1,72,20,967.00	1,98,09,720.00	5,11,21,194.00
Purchase of Fixed Assets	0.00	73,420.00	61,500.00
Purchase of share & Mutual Fund	0.00	2,29,52,597.00	79,64,210.00
Increase in TDS receivable	0.00	1,95,033.00	2,69,415.00
Intercorporate Loan Given	85,90,917.00	2,84,30,301.00	3,11,90,973.00
Current Loan Given	7,23,52,588.00	10,77,21,297.00	6,98,35,630.00
Long Term Capital Loss	0.00	41,650.00	0.00
Short Term Capital Loss	2,49,900.00	0.00	0.00
Net cash from Investing activities (B)	-1,61,48,495.00	-3,03,41,141.00	-19,50,617.00
C. Cash Flow Arising From Financing Activities			
Director Loan Taken	82,61,552.00	1,95,90,461.00	2,20,78,641.00
Director Loan Repayment & Adjustment	-25,25,901.00	-1,87,51,524.00	2,34,63,930.00
Unsecured Loans Taken.	3,17,453.00	77,27,939.00	30,09,225.00
Unsecured Loans Repayment & Adjustment	4,43,173.00	-75,75,741.00	-46,55,765.00
Intercorporate Loans Taken.	19,24,788.00	2,18,38,138.00	66,03,479.00
Intercorporate Loans Repayment & Adjustment	-9,81,296.00	-2,76,944.00	-10,348.00
Bank O/D Taken	11,21,21,437.00	24,49,33,710.00	17,28,83,147.00
Bank O/D Repayment	-10,39,71,566.00	-22,85,64,062.00	17,45,72,004.00
Net cash from Financing activities (C)	1,47,03,294.00	3,89,21,977.00	18,72,445.00
Net increase in cash and Bank equivalents during the year (A+B+C)	-39,55,524.00	50,85,402.00	-48,83,576.00
Add: Cash and Bank equivalents at the beginning of the year	3,07,06,582.00	2,56,21,180.00	3,05,04,757.00
Cash and Bank equivalents at the end of the year	2,67,51,058.00	3,07,06,582.00	2,56,21,180.00

For Ranjit Galledar & Co.
(Chartered Accountants)

By Order of Board
For K Z leasing and Finance Limited

CA Ranjit Galledar
Firm Regn no. 108640W
Mem. No. 033390
Place : Surat
Date : 30/06/2020

Pravinkumar K. Patel (Chairman and Managing Director) (DIN: 00841628)	Ankit P. Patel (Director, CFO) (DIN: 02901371)	Shreya Shah (Company Secretary) (ACS: 59076)
	Place : Ahmedabad	Date : 30/06/2020

AUDITOR REPORT

We have verified the above cash flow statements of K. Z. Leasing & Finance Ltd. Derived from the audited financial Statements for the year ended on March 31st, 2020 found the same to be drawn in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Surat
Date : 30/06/2020

For, Ranjit Galledar & Co.,
Chartered Accountants

CA Ranjit Galledar
Proprietor
(FRN: 108640W)
(UDIN : 20033390AAAABV1234)

K. Z. LEASING & FINANCE LTD.
SCHEDULE TO THE
BALANCE SHEET OF A NON - BANKING FINANCIAL COMPANY
(As required in terms of Paragraph 9BB of
Non - Banking Financial companies Prudential Norms
(Reserve Bank) Directors, 1998 as on dated 31/03/2020

PARTICULARS

LIABILITIES SIDE :

1.	Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
(a)	Debentures : Secured	Nil	Nil
	Unsecured	Nil	Nil
	(other than falling within the meaning of Public deposits)		
(b)	Deferred credits	Nil	Nil
(c)	Terms Loans	Nil	Nil
(d)	Inter-corporate loans and borrowing	300.56	Nil
(e)	Commercial paper	Nil	Nil
(f)	Public Deposit	Nil	Nil
(g)	Other Loans (specify nature)	68.68	Nil
	(Director, Friends and Relatives Deposits)		

*please see note 1 below

2.	Break up of (1) (f) above (outstanding public deposits inclusive or interest accrued thereon but not paid) :		
(a)	In the form of Unsecured debentures	Nil	Nil
(b)	In the form of party secured debenture i.e. debentures where there is a shortfall in the value of security	Nil	Nil
(c)	Other public deposits	Nil	Nil

* Please see Note 1 below

6. Borrower group wise classification of all leased assets, stock-on-hire and loans and advances Please see note 2 below

Category	Amount net of provision		
	Secured	Unsecured	Total
1. Related Parties	Nil	Nil	Nil
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	778.88	778.88
Total	Nil	778.88	778.88

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both Quoted and unquoted) Please see note 3 below

Category	Market value / break up of fair value of NAV	Book Value (net of provisions)
1. Related Parties	Nil	Nil
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	777.46	374.79
Total	777.46	374.79

* Fair value of unquoted investments taken at cost as management expected to realise the said investment fully

** As per Accounting Standard of ICAI (please see note 3)

8. Other Information

Particular	Amount
(i) Gross Non Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	Nil
(ii) Net Non Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debt	Nil

Notes :

- As defined in paragraph 2(1) (xii) of the non Banking Financial companies Acceptance of Public Deposit (Reserve Bank) Directions, 1998
- Provisioning norms shall be applicable as prescribed in the Non Banking Financial Companies Prudential Norms (Reserve Bank) directions, 1998
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

K.Z LEASING & FINANCE LIMITED

[CIN: L65910GJ1986PLC008864]

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Ashram Road, Usmanpura,

Ahmedabad -380014

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